

advance made to a stock insurer; requires that the instrument evidencing a specified loan or advance be approved in a specified manner by the Maryland Insurance Commissioner; and provides that a specified loan or advance and any interest on it made to a mutual insurer is payable only out of the surplus remaining after the mutual insurer provides for all reserves and other liabilities.

Senate Bill 251, which was passed by the General Assembly and allowed to go into effect without my signature, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 513.

Very truly yours,
Robert L. Ehrlich, Jr.
Governor

House Bill No. 513

AN ACT concerning

Insurance - Loans and Advances Made to Stock Insurers and Mutual Insurers

FOR the purpose of repealing a certain limitation on the interest allowed on a certain loan or advance made to a stock insurer; ~~providing that payment of a certain loan or advance and any interest on it made to a stock insurer is subject to the approval of the Maryland Insurance Commissioner~~ requiring that the instrument evidencing a certain loan or advance to a stock insurer or mutual insurer be approved in a certain manner by the Maryland Insurance Commissioner and contain certain provisions; providing that a certain loan or advance and any interest on it made to a mutual insurer is payable only out of the surplus remaining after the mutual insurer provides for certain reserves and other liabilities; requiring that certain proceeds be in a certain form; reorganizing certain provisions of law relating to mutual insurers; repealing a certain provision of law requiring the Commissioner's written consent for the repayment or withdrawal of a certain loan or advance made to a stock insurer or mutual insurer; and generally relating to loans and advances made to stock insurers and mutual insurers.

BY repealing and reenacting, with amendments,

Article - Insurance

Section 3-116

Annotated Code of Maryland

(2003 Replacement Volume and 2005 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Insurance